

Letter from Gardiner Greene Hubbard to Alexander Graham Bell, April 16, 1878, with transcript

L. 1878 G.G.H. to A.G.B. Bell Telephone Apr. 16 Wash. Reorganization

I think you will be pleased to hear that we are progressing very well with our plan for the re-organization of the Bell Telephone Company. We have, as you know, heretofore organized the New England Company with a capital of \$200,000. half of which is owned by the present Bell Tel. Co., and the other half sold for \$50,000 cash. Parties interested in the N.E.Co. desire to purchase a larger interest in our patents and have proposed a re-organization of the Bell Telephone Company with a capital of \$700,000 \$150,000 to be issued to the New England Telephone Company; \$100,000 of the stock to be taken by them at \$50,000 cash, and the balance \$450,000 to be transferred to us for the remaining rights in the Bell patents.

The plan gives us a cash capital of \$100,000 for 25/70 of the stock.

2

We shall require the services of an electrician and hope you will be able to accept the position. The salary would be from three to five thousand dollars, dependent upon the time you could give.

I fear the English Company will desire to avail itself of your services, but trust that, for our interest, they will not make you so liberal an offer as to induce you to accept.

I have not accepted the above offer as I desire to make an arrangement by which our present agents will take a considerable portion of the new cash stock, as I think it will be better for them to be personally interested in our Co. than to have the same stock held altogether by capitalists. I understand from you that the stock I shall hold in the English Co.

Library of Congress

as trustee for my daughter, Mrs. Bell, will entitle me to a representation in the management of the Co. I trust this place will not be permanently filled until I go out and can confer with you as to the proper person for the position. In the meantime Mr. Morgan would perhaps consent to act or if not Sir Willoughby or Mr. Ackers.